

## **Minutes of the Veneta City Council Work Session**

### **October 8, 2007**

Council  
Present: Mayor T. J. Brooker, Thomas Cotter, Darrell Carman, and Marion Esty

Absent: Sharon Hobart Hardin

Others: Ric Ingham, City Administrator; Sheryl Hackett, City Recorder; Carrie Connelly, Legal Counsel; Jerri Moore, Finance Director; Darci Henneman, Assistant City Recorder; and Jeneca Jones, West Lane News

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#### **1. CALL TO ORDER**

Mayor Brooker called the Veneta City Council Work Session to order at 5:14 p.m.

#### **2. LOCAL IMPROVEMENT DISTRICT (LID) ASSESSMENT RECOMMENDATION**

Sheryl provided a cover memo, copies of letters from legal counsel and Jerry Elliott, memoranda from Jerri Moore and a draft of the Method of Assessment for the Council's review. In November 2006 the City Council created a sub-committee consisting of City Attorney Carrie Connelly, Sheryl Hackett, Margaret Boutell, Councilors Darrell Carman and Thomas Cotter. Sheryl said the intent of the sub-committee was to develop language that would allow more flexibility for assessments and financing options for the creation of the City's Local Improvement District (LID) ordinances. The sub-committee also wanted to address problems with applying assessments in a fair and equitable manner to all benefitted properties that began with a proposal to install a sanitary sewer on E. Bolton Road. On January 22, 2007 the City Council held a public comment session. The majority of concerns were as follows: 1) The cost is not being fairly appropriated among property owners, 2) One lot is not being assessed because it did not abut the street, 3) Lots in the Ernest Acres Subdivision being assessed even though they were already connected to sewer, 4) Why costs are not based on water usage instead of lot frontage; and 5) Why people with large parcels of land have to pay now instead of when and if they develop their property.

In February 2007 the Council decided to postpone taking action on forming the E. Bolton LID and directed staff to review the assessment process to see if it could be made more fair and equitable. They also asked that financing options be reviewed with the possibility of a longer time period for repayment of the improvements. The Council appointed a subcommittee to address these issues.

Carrie Connelly said after the sub-committee met several times, she noted the existing ordinance was very strict. Carrie then merged language from VMC Chapters 3.10 and 3.15 to create more open and permissive language. She reviewed the proposed changes to the ordinance with the Council and staff. She said the focus of the sub-committee was to make the cost more fair and equitable. Ms. Connelly said some of the new assessment language allows the Council more flexibility in determining which properties would benefit and for establishing a fair and reasonable method for apportioning the costs of an improvement. The draft language was presented in the "Method of Assessments" with a revised definition of "benefitted property". She said some of the language was pulled from Eugene's code but simplified. She included guidelines and examples to assist the Council in establishing how the costs should be apportioned among benefitted properties. Ms. Connelly also prepared a "Method of Deferral" to expand the existing code which was limited and only applied to street improvements. The revised code would also avoid placing a financial difficulty on a property owner. The deferral

option is dependent on the City having available funds. Deferrals would become a lien on the property and would be paid at the time of development or when a property is sold. The State has a need based deferral program. The sub-committee felt it would be best to direct citizens to the state for those types of deferrals. Carrie suggested the City accept applications for deferrals during a specific time period and on a pro rated basis. The goal is to keep people from having to sell their homes in order to pay the assessments.

Ms. Connelly explained the "Zone of Benefit" ordinance which the Council could add as an additional tool. As property within a zone is developed, the developer would pay for the improvements and would then be reimbursed over a ten year period. Costs paid through a zone of benefit are reimbursements and not deferrals, which would not get placed as liens on a property. At this time, a zone of benefit ordinance is not being presented to the Council for discussion but is something they may want to consider at a later date.

Ms. Connelly said drainage SDCs would need to go to Jerry Elliott for approval. She said the language in 7d and 7e is proposed language reflecting the existing code language and the new methods of assessment. She said a new draft LID ordinance will be presented at the next Council meeting. She said the new ordinance will replace the City's "one size fits all" ordinance.

Jerri Moore recommended funds could be drawn from current resources to create a deferral program to cover the cost of deferred assessments. She recommended using interest earned on SDC resources. Jerri stated her research had not identified any reference, recommendation or statute that restricted that usage. Jerri said if there are concerns from the Council, a more conservative method could be applied, using a five year capital loan to fund the deferral program. Jerri felt comfortable with her recommendation. It would allow the continuance of the deferral program for many projects in the future. She said it would also require close monitoring.

In response to a question from Mayor Brooker, Jerri said the deferral program would become a budget line item. She said sewer and water SDCs may pay project costs but only interest earned on SDCs will go into the deferral fund. Jerri said she hadn't found a statute that required listing how much interest is earned on each individual SDC type.

Ric said all SDCs and interest are tracked separately but the interest would go into one pot. He said the interest would not be repaid into the individual SDC categories.

In response to a question from Thomas Cotter, Jerri said if an LID were created in a new area, the SDCs from that area would not be used to fund deferrals, just the interest from the SDCs.

Mayor Brooker said the interest will not be separated out, i.e., water, sewer, but once the funds are disbursed, it would be hard to tract the funds when they were returned.

In response to a question from Thomas Cotter, Jerri said we're not obligated to proportion the interest back to individual SDC catetories but the Council could choose to do that.

In response to a question from Mayor Brooker, Jerri said the auditor didn't see any problems with using this method.

In response to a question from Darrell Carman, Jerri said this would be a use of the funds and not a loan for repayment.

Jerri said a lien will be placed on property of anyone who receives a deferral along with the SDC assessment.

In response to a question from Darrell Carman, Jerri said the appropriate portion of a repayment of the deferred assessment will go back into the capital construction fund.

In response to a question from Ric, Jerri said by not committing 100% of the deferral pot, we can assure funds are available to continue to offer deferrals in the future.

Carrie said a deferral program would not exist unless the funds are available.

In response to a question from Darrell Carman, Jerri suggested not creating more funds than are needed. She said it goes against accounting principals to create unneeded funds.

Ric said once the East Bolton Road LID is created, we need to wait and see how many people get involved before we decide on an amount to start the deferral program with.

In response to a question from Mayor Brooker, Jerri said there are several different payment options, i.e., immediate payments, installment payments, deferral payments or a combination of the last two. In the past the City allowed residents to make payments for sewer and sidewalk assessments and SDC installment payments. These are deferred payment methods but they are not the same as the deferral program.

Carrie said the next step is for Councilors to recommend changes to the drafted language. The Council will then make the initial decision to adopt the deferral program. She said then an administrative program will be created and the City Administrator would review and approve the applications. If an application is denied it could be appealed to the City Council.

The Council discussed the termination date of a deferral. They agreed a deferral could be transferred to heirs including a spouse. Jerri recommended setting a time frame. She said without a set time frame applied to the deferrals, the City could be carrying the debt for 100 years if the property stayed in one family. Carrie said it wouldn't terminate unless another condition is met. Council agreed to a 10 year termination date of a deferral which could be renewed twice at 10-year intervals as long as the property wasn't developed or sold outside a family.

Darrell Carman suggested Carrie prepare an amended ordinance to be reviewed by the sub-committee and then presented to the Council. Everyone agreed.

## **2. POOL UPDATE (CARL SHERWOOD)**

Carl Sherwood of Robertson Sherwood Architects provided the three conceptual designs for replacement of the City swimming pool.

- Option 1: Create a seasonal outdoor aquatic facility to include a 25 yard/4 lane pool, an unheated, naturally ventilated 36 sq. ft seasonal bath house, teaching/play pool, spa pool and a lawn area all completely fenced. The total cost would be \$2,736,100.
- Option 2: Create a seasonal outdoor aquatic facility to include a 25 yard/6 lane competitive pool, a year round 42 sq. ft. bath house, a separate teaching/play pool, spa pool and a smaller lawn area (to accommodate the larger bath house)

all completely fenced. This option would be designed to be enclosed and operated as a year round facility at a later date. The total cost would be \$3,116,500.

Option 3: Create a year round indoor aquatic facility to include all of option 2 plus a roof (natatorium), three sets of doors leading to the lawn/patio area, overhead coiling doors and a larger bath house to include the pool equipment and heating and dehumidification units. The total cost would be \$5,548,875.

Mr. Sherwood said the costs figured included expansion of the parking lot with a drive through loop and a drop off area, removal of the old pool, construction and material costs including a 9% cost increase for inflation. He said for cost reasons, the City should maintain the current location of the facility. He said relocating the horse shoe pits could provide space for a future water slide. The cost of a water slide would be \$266,000. The cost of the spa pool is \$215,500. He said a change in the pool construction would be approximately \$275,000. Mr. Sherwood said seasonal pool facilities that operate three months out of a year come close to breaking even on costs. He said operating a year round facility would probably require a subsidy in the range of six figures.

In response to a question from Thomas Cotter, Mr. Sherwood said gas or propane is the fuel of choice. He said the concrete finish would be similar to the original pool finish. He said a stainless steel finish is less likely to crack but more likely to float. He said the stainless comes in four ft. panels which are joined by PVC making a braced system that resembles aluminum pools. He said ground water becomes an issues with the stainless steel system.

In response to a question from Marion Esty, Mr. Sherwood said the Tamarack Pool is a salt based chlorine pool with a higher start up cost but also works better for outdoor pools.

In response to a question from Thomas Cotter, Mr. Sherwood said a 25 yard/4 lane pool (Option 1) would be approximately 200 sq. ft. larger than the existing pool.

Thomas Cotter suggested going with Option 2.

Ric said Mr. Sherwood needs to finalize his report to make sure any changes are completed prior to beginning the public survey. Ric asked the Councilors if they wanted to strip down Option 1 to just a replacement of the existing pool and deleting the natatorium from Option 3.

Mayor Brooker said people have responded that they want a year-round facility. He said he isn't inclined to change or scale back any of the options and suggested we should present the options in the public survey just the way they are, including what each option will cost. Darrell Carman said people may not want all of the extras.

Ric said the survey will give statistical random sampling but we need to know what citizens want and what they're willing to pay for. Ric said we need to include all three options in the survey to all Fern Ridge residents.

Mayor Brooker said the community as a whole should decide. He felt Option 3 is the way to go and that a Parks and Recreation District should be created.

Ric sent out a request for quotes (RFQ) for costs of a telephone survey. He said the deadline is October 19, 2007.

In response to a question from Ric, Thomas Cotter said we should keep the pool options the way Mr. Sherwood presented them and give him time to prepare his final report. He said the new pool is not just for children but for adults.

Mayor Brooker didn't want to remove the spa pool option from the survey. He said public comment will answer that question. He also felt the stainless steel design option wasn't needed but he did want to include the information on the future addition of a water slide.

In response to a question from Darrell Carman, Mayor Brooker said if we give residents the option to remove the spa up front, they may say the pool would cost \$255,000 less without the spa. He said people may get stuck on that and not see the larger picture.

**3. SUMMER PARKS AND RECREATION PROGRAM UPDATE (Stacy Cornelius)**

Stacy Cornelius had a scheduling conflict at 7:00 p.m. so she gave her presentation at the end of the Work Session rather than during the City Council meeting as previously planned.

Stacy Cornelius was employed through Willamalane Parks and Recreation and the City of Veneta. She presented her report on how the program ran this summer.

Stacy said the City partnered with Camp Wilani, the YMCA and Willamalane Parks and Recreation District to create a summer program in Veneta. Camp Wilani provided their pool at a cost of \$50 per day for a total of \$650.00. Two instructors and one lifeguard were provided by the YMCA at a cost of \$1950.00. Stacy said combined outgoing costs of \$2,600 offset by tuition costs received of \$1491.83, the City of Veneta subsidized \$1108.17.

Stacy said Willamalane Parks and Recreation offered an eight week Play-in-the-Park program followed with lunch funded by Food for Lane County. Stacy said the Summer Lunch program served an average of 125 free lunches daily to area children ages 2 to 18. Immediately following lunch was a playground program. Stacy said the playground program allowed parents to observe the group's activities, ask questions and register their children for an upcoming session.

The focus of the Play-in-the-Park was physical activities, rules of playing specific sports, positive social skills and building self-confidence. Special guests included a visit from Lane Fire District No. 1. They demonstrated proper ways to exit a burning building, dangers of playing with matches and lighters and fire safety. They provided fire hats and stickers for the children. Stacy said Super Snackers from the Lane County Extension Service provided healthy snacks and spoke about healthy eating habits. The children had fun creating monster faces on bagels with food items from all food groups. Shawn Wagner, a local chef, made pizzas with the children to celebrate the end of the program and spoke about kitchen safety, cleanliness and the proper use of kitchen utensils.

Ric said unfortunately there could have been a higher turn out but the pool at Camp Wilani never got above 60 degrees. He said there were some cancellations due to the water being too cold for the kids to swim in.

Mayor Brooker would like to continue with the summer program and thanked Stacy for her report.

In response to a question from Thomas Cotter, Stacy said the age range of the children was five to 11. She said the programs were designed for kids first through fifth grades with the

exception of the swimming lessons which included middle school aged kids.

Ric said the public library, Art Guild and Explorers' Club all participated and were combined with our Summer Recreation Guide. He said Stacy came up with many positive suggestions to build on for next year's program. He said the program was developed to include all of the partnering programs. Ric would like to bring Stacy back earlier next year to get the information about the program out sooner.

In response to a question from Darrell Carman, Ric said this year we only had 25% to 30 % of the normal participation in swimming lessons. He said the City could provide a heater for the Camp Wilani pool. He said heating the water may bring the numbers up. He said Camp Wilani set up a swimming lesson schedule for the City which didn't interfere with their normal camp schedule.


In response to a question from Thomas Cotter, Stacy said she received one negative response: the Session Two swimming lessons should have been less expensive because it only offered four classes compared to Session One offering six classes.

In response to a question from Marion Esty, Stacy said scholarship funding came from the Mid-Lane Community Chest.


Mayor Brooker thanked Stacy and those who assisted in the program for their time.

**4. ADJOURN**

Mayor Brooker adjourned the City Council Work Session at 7:07 p.m.

  
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Tim Brooker, Mayor

ATTEST:

  
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Darci Henneman, Assistant City Recorder  
(minutes prepared by dhenneman)